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ORIGINAL

Decision No. 5491

Decision No. _____.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of the)
 EMERGENCY TRANSPORTATION COMPANY,)
 a corporation, for a certificate that)
 present public convenience and necessi-)
 ty require the construction of a street)
 railroad and for an order authorizing)
 the issue of capital stock and execution)
 of promissory notes for the purposes of)
 such construction.)

Application
Number
3754

 W.E. Smith for applicant.
 A.T. Wright for United States Shipping Board
 Emergency Fleet Corporation.

REBELE, Commissioner.

O P I N I O N.

EMERGENCY TRANSPORTATION COMPANY asks authority to issue \$10,100.00 par value of stock and \$9,675.00 face value of 5 per cent notes payable on or before ninety days after the execution of a treaty of peace terminating the state of war now existing between the United States of America and the German Empire. The petitioner also asks authority to exercise the rights and privileges granted to it by resolution Number 16654 N.S. of the City of Oakland, a copy of which is attached to the petition herein and marked Exhibit "D".

EMERGENCY TRANSPORTATION COMPANY was organized on or about April 27, 1918, with an authorized capital stock of \$20,000.00 divided into 200 shares of the par value of \$100.00 each. The corporation was organized for the purpose of providing street car transportation facilities for the employees of the Moore Shipbuilding Company. It proposes to build a single track

street railway line with turn-out on Chestnut Street in the City of Oakland from Eighth Street to First Street in said city. At Eighth Street the line will connect with the lines of the San Francisco - Oakland Terminal Railways. In Exhibit "C" / petitioner estimates the cost of its proposed street railway line at \$22,057.73.

The United States Shipping Board Emergency Fleet Corporation has agreed to loan to the Emergency Transportation Company \$9,675.00 represented by 5 per cent notes payable on or before ninety days after the termination of the war with Germany. The remainder of the funds necessary to build the line will be obtained from the issue of \$10,100.00 par value of stock at par. Petitioner in its Exhibit Number Two reports that the San Francisco-Oakland Terminal Railways is willing to subscribe for the \$10,100.00 of stock. It will pay for the same by furnishing the necessary construction materials. Upon completion of the line, it will be operated by the San Francisco-Oakland Terminal Railways under a lease agreement. The execution of the lease agreement, as well as the purchase of the \$10,100.00 of stock by the San Francisco-Oakland Terminal Railways, are matters which will be submitted to the Commission in a future proceeding.

I herewith submit the following form of Order.

O R D E R.

EMERGENCY TRANSPORTATION COMPANY having applied to the Railroad Commission for authority to issue stock and notes as set forth in the foregoing opinion and for authority to exercise the rights and privileges granted by resolution Number 16654 M.S. of the City of Oakland, a public hearing having been held and the Railroad Commission being of the opinion that this application should be granted and that the money, property or labor to be procured or paid for by the issue of said stock and notes is reasonably required for

the purpose or purposes specified in the order and that such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

The Railroad Commission HEREBY DECLARES that public convenience and necessity require the exercise by EMERGENCY TRANSPORTATION COMPANY of the rights and privileges conferred upon it by resolution Number 16654 N.S. of the City of Oakland, provided that Emergency Transportation Company shall first have filed with the Railroad Commission a stipulation duly authorized by its Board of Directors declaring that Emergency Transportation Company, its successors and assigns will never claim before the Railroad Commission, or any court or other public body, a value for said rights and privileges in excess of the amount actually paid to the City of Oakland as consideration for the grant of said rights and privileges, which amount shall be set forth in the stipulation, and shall have received from the Railroad Commission a supplemental order declaring that such stipulation, in form satisfactory to the Railroad Commission, has been filed with the Railroad Commission.

IT IS HEREBY ORDERED that EMERGENCY TRANSPORTATION COMPANY be, and it is hereby, granted authority to issue at par \$10,100.00 par value of its common capital stock and \$9,675.00 face value of 5 per cent notes payable on or before ninety days after the execution of a treaty of peace terminating the state of war now existing between the United States of America and the German Empire, upon the following conditions:

- (1).-- The proceeds obtained from the issue of the stock and notes herein authorized shall be used by Emergency Transportation Company for the purpose of constructing its line of railway referred to in Exhibits "C" and "D" attached to the petition herein.
- (2).-- Emergency Transportation Company shall keep true and accurate accounts showing the receipt and application in

detail of the proceeds of the sale of the stock and notes herein authorized to be issued and on or before the twenty-fifth day of each month shall make a verified report to the Railroad Commission in accordance with the Commission's General Order Number 24, which order, in so far as applicable, is made a part of this order.

(3).--The authority herein granted to issue notes shall not become effective until the payment of the fee prescribed by the Public Utilities Act.

(4).--The authority herein granted shall apply only to such stock and notes as shall have been issued on or before December 1, 1918.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 24th day of May, 1918.

Max Thelen
W. H. Loveland
Wm. Gordon

Commissioners.

